

United States District Court
for the
Southern District of Texas

Financial Federal Credit, Inc.
Plaintiff,

v.

T & M Salvage, Inc., American Salvage &
Trading Corporation, Clarence McCulley,
and Adelina G. McCulley
Defendants.

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Civil Action No. 4:10-cv-02733

RESPONSE TO COMPLAINT

COMES NOW the Defendants, T & M Salvage, Inc., American Salvage & Trading Corp., Clarence McCulley, and Adelina G. McCulley, by and through the undersigned counsel and files these Responses to the Complaint filed by the Plaintiff and responds to the corresponding paragraphs of the Complaint as follows:

1. Admit.
2. Admit.
3. Admit.
4. Admit.
5. Admit.
6. Admit.
7. Admit.
8. Admit that Plaintiff provided financing to T & M Salvage, Inc. and that Clarence McCulley and Adelina McCulley executed a guarantee. Denied that T & M Salvage, Inc., Clarence McCulley, and/or Adelina McCulley have defaulted on the obligations.

9. Admit that Plaintiff provided financing to American Salvage & Trading Corporation and that Adelina McCulley executed a guarantee. Denied that Clarence McCulley executed a guarantee. Denied that T & M Salvage, Inc., Adelina McCulley, and/or Clarence McCulley defaulted on the obligations.

10. Admit.

11. Admit.

12. Admit.

13. Admit.

14. Admit.

15. Admit.

16. Admit.

17. Admit.

18. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations.

19. Admit.

20. Denied.

21. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegation that: "Each Guaranty formed part of the consideration for Plaintiff accepting and funding the Notes, and Plaintiff relied on the Guaranty in doing so." Otherwise admit.

22. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegation that: "Each Guaranty formed part of the consideration for Plaintiff accepting and funding the Notes, and Plaintiff relied on the Guaranty in doing

so.” Denied that Clarence McCulley executed a continuing guaranty of the obligations of American. Otherwise admit.

23. Admit.

24. Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations.

25. Denied.

26. Denied.

27. Denied.

28. Denied.

29. Denied.

30. Denied.

31. Denied.

32. Admit.

33. Denied.

34. Admit.

AFFIRMATIVE DEFENSES

35. **Payment:** The Plaintiff has received payment for the amounts due pursuant to the Complaint.

36. **Release:** By acceptance of the payment for the amounts due pursuant to the complaint the Plaintiff has granted a release to the Defendant.

37. **Waiver:** By nature of the its actions the Plaintiff waived his right to pursue his claims against the Defendants.

Dated: August 30, 2010

Respectfully submitted,

/s Kevin M. Kohl

Kevin M. Kohl

Florida Bar No.: 0578819

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Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been sent by U.S. mail and facsimile to Robert Grawl, Jr., 1300 Post Oak Blvd., Suite 1300, Houston, Texas 77056, (713) 386-0337 on this 30th day of August, 2010.

/s Kevin M. Kohl

Kevin M. Kohl

Florida Bar No.: 0578819